Oasmia Pharmaceutical AB (publ)

Year-end report for the financial year January 1, 2021 – December 31, 2021

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- In October, Oasmia announced a global settlement of all disputes with MGC Capital, former Board Members of Oasmia and members of former management. The settlement resulted in a negative cashflow of approx. MSEK 25 while having a positive earnings effect of approx. MSEK 33.
- In December, Oasmia announced that the transfer of its marketing authorization for Apealea® (paclitaxel micellar) to Inceptua AB had received approval from the European Commission and the UK Medicines and Healthcare products Regulatory Agency (MHRA).

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- With the purpose to finance the continued development of Oasmia and its projects in accordance with its business plan and strategy, the Board of Directors in January, subject to approval by an Extraordinary General Meeting, resolved on a fully secured rights issue of approximately SEK 151 million.
- In January Oasmia announced the intention, subject to approval by an Extraordinary General Meeting, to change its name to Vivesto AB.
- In January Oasmia announced progress on the development of XR-18 and that the company has identified and synthesized a promising novel candidate for use in the drug delivery platform.
- On 21 February an Extraordinary General Meeting approved the Board of Directors' resolution on 19 January 2022 on a new issue of shares with preferential rights for existing shareholders, and to approve an amendment to the Articles of Association whereby the company's corporate name is changed to Vivesto AB.
- In February Oasmia gave an update on the progress of the SAKK investigator-initiated Phase 1b trial of Docetaxel Micellar in advanced prostate cancer.

FOURTH QUARTER: OCTOBER 1, 2021 – DECEMBER 31, 2021

- Consolidated net sales amounted to TSEK 9,639 (131)
- Operating profit/loss var TSEK -2,068 (-59,441)
- Net profit/loss after tax amounted to TSEK -2,849 (-65,373)
- Earnings per share amounted to SEK -0.01 (-0.15)

FINANCIAL YEAR: JANUARY 1, 2021 – DECEMBER 31, 2021

- Consolidated net sales amounted to TSEK 26,192 (201,760)
- Operating profit/loss var TSEK -128,647 (-44,323)
- Net profit/loss after tax amounted to TSEK -132,722 (-57,541)
- Earnings per share amounted to SEK -0.30 (-0.13)

Oasmia Pharmaceutical AB is a specialty pharmaceutical company focused on the development of new therapeutic options for patients suffering from hard-to-treat cancers. It has a growing pipeline of clinical-stage assets targeting late-stage cancers. Oasmia's most advanced program is Apealea® (paclitaxel micellar), which is being made available to ovarian cancer patients through a partnership with Elevar Therapeutics, Inc. Other development programs include Cantrixil, in clinical development for late-stage ovarian cancer, and docetaxel micellar, in development for advanced prostate cancer. Oasmia's proprietary drug delivery platform XR-17™ is designed to improve drug solubility, efficacy and safety. Oasmia's shares are traded on Nasdaq Stockholm (OASM). To find out more about Oasmia please visit www.oasmia.com.

CEO REVIEW

The last quarter of 2021 was one of sustained progress towards delivering our goal of transforming the business and laying the groundwork to create a Nordic oncology powerhouse. Much of the important work undertaken in Q4 was announced early in 2022, including plans to secure financing to drive the value in our portfolio, and changing our name to Vivesto AB to mark the completion of our initial transformation and the next phase in our journey.

In January 2022, we announced plans to raise ~SEK 150 million through a fully secured rights issue. This will strengthen our balance sheet and help us achieve potential value inflection points for our existing development programs as well as financing general business operations for 18-24 months. It is a vital steppingstone to secure the short to medium term future of the business and an important initial step towards achieving our broader vision to build our oncology pipeline through in-licensing and M&A – our "string of pearls" strategy.

Our new identity was approved by shareholders at our EGM on 21 February. This marks the completion of the initial phase of transforming the company set out two years ago. Vivesto – from the Spanish word "alive" - was selected after extensive research among the international medical community, patients and investors, who shared our view that it embodies our mission to build a diversified pipeline focused on hard-to-treat and late-stage cancers using different mechanisms of action.

Since I joined Oasmia I have focused on a number of goals to build the foundations for a strong, business and set us up for success:

- Rightsizing the Company and terminating commercial drug production
- Strengthening the management of our finances
- Positioning us an attractive partner for innovative assets and companies
- Settling legacy litigation and reducing business risks
- Progressing our pipeline and building critical mass in our portfolio.

Rightsizing the Company and terminating commercial drug production
We are now fully focused on product development, having terminated commercial drug production. Our lead program Apealea® (paclitaxel micellar) is out-licensed globally through our global strategic partner Elevar Therapeutics and selected partners in key territories. Elevar has assumed responsibility for commercial drug production of Apealea® and XR-17™ is manufactured by a sub-contractor.

In September 2021 Paclical® (Apealea®) was out licensed to the Swiss-based FarmaMondo Group for commercialization in Russia and the Commonwealth of Independent States. As a result, marketing authorizations which Oasmia holds in Russia and Kazakhstan have been transferred to FarmaMondo. FarmaMondo has also taken responsibility for all future development and commercialization activities in Russia and the Commonwealth of Independent States.

In Q4 Inceptua, Elevar's partner in Europe, informed us it had received approval from the European Commission and UK Medicines and Healthcare products Regulatory Agency (MHRA) for transfer of

Apealea's marketing authorization, enabling it to assume full regulatory responsibility for Apealea® in the EU, Norway, Iceland, Liechtenstein, and the UK. Inceptua have confirmed their intention to launch Apealea® in the UK and Germany in the first half for 2022, which is expected to lead to us receiving the first royalties during the year.

Strengthening the management of our finances

As part of the comprehensive cost control program launched in 2020, we have significantly reduced operating costs during the year, and we have now realized annualized cost savings of more than SEK 100 million since 2020. We have also reduced our so-called "burn rate" and adjusted for a one-time negative cash flow effect in Q4 from settlement of litigation, the average burn rate per month in 2021 amounted to SEK 10 million which then is in the lower part of our target range of SEK 10-12 million per month. These cost savings have enabled us to invest in areas which in the long run can deliver the greatest return, including pipeline development which is critical for our success and future growth.

Positioning us as an attractive partner

We have made significant progress in building our in-house capabilities over the past two years. We now have a team with proven development and regulatory expertise able to take products from early-to late-stage development and potentially through commercialization and partnering. We believe this makes us more attractive to companies with promising assets targeting hard-to-treat and late-stage cancers. We are currently seeking a new oncology-focused Chief Medical Officer following Heidi Ramstad's decision to leave the company in April for personal reasons. Most recently and post period, Kai Wilkinson, Head of Research & Development and Manufacturing was promoted to the position of Chief Technology Officer and joined Oasmia's Management team. I look forward to working more closely with Kai. His skills and expertise will be useful as we continue the transform our Technical Operations to support our broader business objectives.

Settling legacy litigation and reducing business risks

During Q4 we announced a global settlement for all inherited outstanding legal disputes with MGC Capital, former Board Members of Oasmia and members of former management. The settlement resulted in a negative cashflow of approx. MSEK 25 while having a positive earnings effect of approx. MSEK 33. Reported debt in relation to MGC Capital of MSEK 80, as well as a receivable of MSEK 40, was settled as a result of the agreement leading to the positive earnings effect as reported in the income statement for the quarter. This is excellent news and ends a notable risk for the business. Most importantly, this has resulted in Oasmia being debt free, a considerable achievement.

Progressing our pipeline and expanding our portfolio

Cantrixil, the first in-licensed oncology program of our string of pearls strategy, continued to make progress towards a Phase 2 study, building on promising Phase 1 results in late-stage ovarian cancer. Valuable insights provided by our Scientific Advisory Board are helping us to design the Phase 2 trial and the longer-term clinical and regulatory path. We are planning to engage with regulatory authorities this year in preparation for a multi-center Phase 2 study in the US and EU. We have also continued to work on securing manufacturing agreements to ensure drug supply. Our aim is to have made substantial progress by the end of 2022 towards initiating the Phase 2 trial.

A Phase 1b trial of our second clinical-stage program, **Docetaxel micellar**, in development for advanced prostate cancer, continued to recruit patients in Switzerland under the leadership of the Swiss Group for Clinical Cancer Research (SAKK). SAKK has made excellent progress, with three centers open and enrolment is expected to be completed by the end of 2022. Most recently, post period end in February 2022, we reported that the first patient has now fully completed the study. Furthermore, the first of three dosing groups in the trial has been successfully recruited and the first patient has started in the second dose group.

Over the last year we have completed a significant number of due diligence exercises on public and private companies and in-licensing targets in oncology. In Q4 we continued this work to analyze promising **business development opportunities** that will leverage our in-house expertise,

expand our portfolio of cancer therapies around multiple modalities and create long-term value for shareholders. 2022 should see the materialization of this work and we look forward to updating the market on our progress.

Exploring the full potential of our technologies
Recently and post period we announced progress on the in-house development of XR-18, the next generation of our proprietary drug delivery technology. We believe XR-18 could offer enhanced capabilities compared with XR-17, which is designed to increase the solubility of intravenously delivered compounds and has been used successfully in Apealea®. The next-generation formulation applied in XR-18 is already being tested in combination with a widely used oncology compound, and steps for securing Intellectual Property are being taken.

A solid end to the year
We made continued progress towards achieving all our key goals in Q4. With a solid platform for growth, we are fully focused on moving our promising oncology development pipeline forward and continuing to expand our portfolio through our "string of pearls" in-licensing and acquisition strategy to build critical mass and bring innovation to patients with hard-to-treat cancers.

In 2022, we will see Apealea® launched in Europe via Elevar's partner Inceptua. Apealea® offers a non cremophor formulation of paclitaxel which may offer substantial benefits to some patients, and this makes us very proud.

Thank you for your continued support and patience.

Dr. Francois Martelet, M.D., CEO of Oasmia

STRATEGY FOR GROWTH

Oasmia is an oncology-focused specialty pharma company that develops new treatment options for patients suffering from hard-to-treat cancer. The company has a growing pipeline focused on innovative cancer treatments and the capacity to develop promising oncology assets from early-stage development through to partnering and commercialization. The drug candidate development in Oasmia is based on the proprietary and patented drug delivery technology XR-17™, and acquired or in-licensed projects. Oasmia also has commercial products and technologies in its portfolio.

Using the XR-17 technology platform, Oasmia has developed Apealea (paclitaxel micellar), a treatment for ovarian cancer. At the end of 2018, Apealea received regulatory market approval in Europe, which also meant that Oasmia, as one of the few Swedish companies, succeeded in developing a project from early pre-clinical phase to market approval. Since 2020, Oasmia has entered into a number of licensing and collaboration agreements regarding the commercialization of Apealea.

To further capitalize on the company's expertise and organization, Oasmia has an active growth strategy focusing on broadening the pipeline through acquisition and in-licensing of additional oncology assets. In line with the company's strategy, Oasmia in March 2021 expanded its portfolio through the acquisition of the oncology asset Cantrixil, a clinical stage drug candidate for the treatment of ovarian cancer.

Oasmia's strategy for growth is based on four main areas:

POTENTIAL VALUE DRIVERS

Oasmia has identified multiple potential near- and mid-term catalyst and business drivers in in the company's path forward.

- Apealea® – initial launches in Europe; further partnering by Elevar; potential for initial revenues from royalties and milestones
- Docetaxel micellar – Phase 1b completion of enrolment
- Cantrixil – preparation for Phase 2 initiation
- Expanding technology platforms through Karolinska program and internal development
- Delivering the string-of-pearls strategy to build critical mass in oncology

TECHNOLOGY & PIPELINE

Oasmia has an emerging pipeline of clinical-stage assets targeting late-stage cancers. Development programs include Cantrixil, in clinical development for late-stage ovarian cancer, and Docetaxel micellar, in development for advanced prostate cancer.

Product	Indication	Pre-clinical	Phase 1	Phase 2	Phase 3	Registration / approval	Commercial Launch	Geography
Cantrixil	Ovarian cancer							Global
Docetaxel micellar	Prostate cancer							EU/EAA

For the company's assets within veterinary medicine operations Oasmia is evaluating strategic alternatives, with the aim of generating value for Oasmia's shareholders, such as through partnership agreements, out-licensing or divestments.

Product	Indication	Pre-clinical	Phase 1	Phase 2	Phase 3	Registration / approval	Commercial Launch	Geography
Paccal vet (paclitaxel)	Mammary Carcinoma							USA
Doxophos vet (doxorubicin)	Lymphoma							USA

Apealea (paclitaxel micellar) is developed for ovarian cancer patients in the US through a partnership with Elevar Therapeutics, Inc. Oasmia has a proprietary drug delivery technology designed to improve solubility, efficacy and safety.

Product	Indication	Pre-clinical	Phase 1	Phase 2	Phase 3	Registration / approval	Commercial Launch	Geography
Apealea® / Paclical® (paclitaxel)	Ovarian cancer							EU / EEA
	Ovarian cancer							USA

Project	Objective	Discovery	Feasibility	Development	Validation	Launch
XR-17™	Solubilization platform					
XR-18	Next generation of XR-17	Target 2023				

XR-17™ Technology Platform

Many intravenously-delivered Active Pharmaceutical Ingredients (APIs) are insoluble or poorly soluble in water. This can be a major hurdle in pharmaceutical development and may cause promising drugs to fail during the development process and may limit the application of approved drugs because of poor solubility. According to some estimates, between 70 and 90% of drugs in the development pipeline are classified as poorly soluble, with approximately 40% of approved drugs similarly affected. Techniques to improve i.v. drug solubility, such as the use of solvents in the form of polymers or polyoxyl oil derivatives and ethanol, may give rise to acute and delayed adverse effects that can be severe. Adverse effects caused by carriers have been seen as an unpleasant trade off in cancer treatment and may necessitate the routine use of corticosteroid as premedication and slow infusions that limit patient flow in the busy chemotherapy suites. To meet this unmet medical need and help improve the efficiency of the drug development process, Oasmia has developed and patented the XR-17 drug delivery platform. XR-17 increases the solubility of intravenously delivered compounds and enables Oasmia to develop innovative formulations of APIs.

Potential advantages of XR-17
XR-17 encapsulates pharmaceutical ingredients in micelles, rendering the combined compound hydrophilic and suitable for intravenous administration. Oasmia's toxicological and clinical studies indicate that XR-17 has beneficial properties that may achieve:

- Improved administration of selected intravenous APIs, with the aim of avoiding the use of corticosteroids and antihistamines as required premedication.
- Shortened infusion time, which may facilitate healthcare for patients.
- Depending on the API chosen, a favorable API/solvent ratio is desired – aimed at maintaining a low amount of pharmaceutical excipients per dose while maximizing the delivery of API.
- Free from alcohol and human and/or animal protein.

Commercialized products

Apealea®
Apealea (paclitaxel micellar) is a patented solvent-free formulation: it applies paclitaxel – a cornerstone within chemotherapy for many different forms of cancer – through Oasmia's XR-17 technology platform. Apealea is approved by the European regulatory authority EMA for use in combination with carboplatin for the treatment of adult patients with first relapse of platinum-sensitive epithelial ovarian cancer, primary peritoneal cancer and fallopian tube cancer. Apealea has also received orphan drug designation from the US regulatory authority FDA for the treatment of epithelial ovarian cancer, which could entail several potential benefits, including seven years of market exclusivity.

In March 2020 Oasmia signed a global licensing agreement with US-based Elevar Therapeutics Inc. for the further development and commercialization of Apealea. The agreement gave Elevar exclusive rights to develop and commercialize Apealea globally, with the exception of the Nordics, Baltics, Russia and the Commonwealth of Independent States. The agreement includes milestone payments of up to USD 678 million depending on achievement of future sales milestones, clinical development milestones and regulatory approval milestones. Elevar will also pay Oasmia double-digit royalties on sales of Apealea. Oasmia received USD 20 million as an upfront payment.

As announced previously Elevar sub-licensed its commercialization rights in Europe to Inceptua and in the MENA region to Taiba.

Partnerships update

FarmaMondo
In September 2021, Oasmia licensed its development and commercialization rights to Paclical® (Apealea) to FarmaMondo in Russia and the CIS, which includes Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan and Uzbekistan. Oasmia is in the process of transferring market authorizations in these territories to FarmaMondo.

Elevar
In June 2021, Oasmia filed an application with the EMA to transfer the marketing authorization for Apealea in the EU and UK to Inceptua, Elevar's commercialization partner in Europe. The transfer of the marketing authorization received approval from the European Commission and the UK Medicines and Healthcare products Regulatory Agency (MHRA) in December 2021. Elevar has informed Oasmia that Inceptua's market access and launch planning activities are underway, with launches planned in selected countries during the first half of 2022. Elevar has also confirmed to Oasmia that it expects the first revenues from commercial sales of Apealea in Europe to be received in 2022 with royalties to follow.

As part of its original agreement with Elevar, Oasmia transferred production responsibilities for Apealea to Elevar. During the third and fourth quarter, Elevar purchased the majority of Oasmia's remaining inventory of semi-finished (i.e., unlabeled) drug product, which can be used for either

clinical studies or commercial supply by Elevar. Elevar has also taken over Oasmia's contract manufacturing agreement with Baxter for the provision of additional drug product.

Elevar has informed Oasmia that it is reviewing the clinical and regulatory pathway for Apealea in the US in order to maximize the product's commercial potential. This may impact the clinical development timelines for Apealea in the US, and Oasmia will update investors when further information has been provided by Elevar.

Project Pipeline

Cantrixil
Cantrixil is a clinical-stage product candidate being developed for the treatment of ovarian cancer. Cantrixil consists of the active molecule, a potent and selective third generation benzopyran SMETI inhibitor named TRXE-002-01, encapsulated in a cyclodextrin. It is believed to target a wide spectrum of cancer cells, including chemotherapy-resistant tumor-initiating cells that are thought to be responsible for disease relapse.

In December 2020, top-line results of a Phase I open-label study (NCT02903771), conducted at sites in the USA and Australia, were released. The Phase I study met its primary endpoints, establishing clinical proof of concept, subject to further clinical evaluation and confirmation. The results from the Phase I study were published in Cancers, a peer reviewed, open access journal of oncology. A Phase II study with Cantrixil is being prepared.

Oasmia acquired the global development and commercialization rights for Cantrixil from Kazia Therapeutics in March 2021. Oasmia acquired the license for an upfront cash consideration of $4m, development milestones worth up to $42m and cumulative sales-based royalties. Since acquiring these rights, Oasmia has been working on the continued the development of this asset. An advisory board has been established to obtain input on the clinical development plan. Oasmia will also seek advice from the EMA and FDA. The work to manufacture drug supply for upcoming clinical trials is ongoing.

Docetaxel micellar
Docetaxel micellar is a product candidate in early clinical development and is a novel formulation that combines XR-17 with docetaxel – a well-established cytotoxin, currently administered intravenously and containing ethanol.

In June 2020, Oasmia partnered with the Swiss Group for Clinical Cancer Research (SAKK) with the aim of conducting the first clinical study on the treatment of metastasized prostate cancer with Oasmia's Docetaxel micellar formulation. In June 2021 the first patient was dosed in an investigator-initiated Phase 1b clinical trial in patients with advanced prostate cancer. It is an open-label, multicenter, single-stage study conducted by SAKK at major hospitals in Switzerland, recruiting 18 chemotherapy-naïve patients with metastatic castration resistant prostate cancer (mCRPC) with adequate bone marrow, liver and renal function. The primary objective of this trial is to determine the maximum tolerated dose of Docetaxel micellar in patients with mCRPC and the secondary objectives are to evaluate safety, assess the preliminary anti-tumor activity, and to characterize the pharmacokinetics in this population.

Research and development

XR-18 - next generation drug delivery technology
XR-18 is a platform which the company believes could offer enhanced capabilities compared with its existing XR-17 technology. The research project has generated promising data including:

- Addition of components to existing XR-17 formulation improving certain properties.
- Synthesis of novel excipients exhibiting XR-17-like properties with enhanced stability characteristics. These modifications will be evaluated for feasibility in various drug formulations.

In January 2022 Oasmia announced progress on the in-house development of XR-18 and that the company has identified and synthesized a promising novel candidate for use in the drug delivery platform.

Oasmia is currently exploring the potential of encapsulating the candidate drug Cantrixil using the XR-17/18 technology in a new discovery-stage program.

Animal Health

Oasmia's product candidates within veterinary medicine use the XR-17 technology platform to facilitate the administration of intravenously delivered solvent-free active pharmaceutical ingredients. Oasmia is evaluating strategic/commercial alternatives for the company's assets within veterinary medicine operations, with the aim of generating value for Oasmia's shareholders.

Paccal Vet
Paccal Vet utilizes Oasmia's formulation of paclitaxel with its XR-17 encapsulation technology for the treatment of canine mastocytoma. The development program for Paccal Vet is currently on hold, awaiting further strategic decisions.

Doxophos Vet
Doxophos Vet is a patented formulation of doxorubicin, one of the most efficacious and widely used chemotherapeutic substances for the treatment of cancer. Oasmia has developed Doxophos Vet for the treatment of lymphoma, one of the most frequent forms of canine cancer. Pre-clinical and earlier clinical studies have been conducted on dogs with cancer. In the first attempt, Doxophos Vet showed promising efficacy against hematological tumors. The development program is currently on hold, awaiting further strategic decisions.

FINANCIAL INFORMATION

As the Annual General Meeting on September 9, 2020 resolved to change the company's fiscal year to the calendar year, the comparative figures in this report cover the corresponding periods last year, i.e., for the quarter October 1 to December 31, 2020 and the period January 1 to December 31, 2020, respectively. These figures are not found in previously published quarterly reports or annual report.

Condensed consolidated income statement

Tkr	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	9,639	131	26,192	201,760
Operating profit/loss	-2,068	-59,441	-128,647	-44,323
Profit/loss for the period	-2,849	-65,373	-132,722	-57,541
Earnings per share before and after dilution, SEK	-0.01	-0.15	-0.30	-0.13

FOURTH QUARTER

October 1 – December 31, 2021

Net sales
Net sales amounted to TSEK 9,639 (131) and comprised sales of goods for TSEK 9,205 (94) and licensing revenues of TSEK 434 (37).

Other operating income
Other operating income amounted to TSEK 35,850 (1,836) and comprised the earnings effect of the settlement of all disputes with MGC Capital amounting net to TSEK 33,888 (0), recharged costs of TSEK 1,128 (0), other income of TSEK 834 (37) and foreign exchange gains on customer invoices of TSEK 0 (-136).

Operating profit/loss for the quarter
The operating loss for the quarter amounted to TSEK -2,068 (-59,441). The year-on-year difference in operating profit/loss was attributable to substantially lower costs, higher turnover as well as the aforementioned other operating income.

Other external expenses amounted to TSEK -19,498 (-29,666) and most of the decrease was due to the corresponding quarter last year including restructuring costs of TSEK 4,600 for lease terminations for premises.

The change in inventories of products in progress and finished goods amounted to TSEK -7,288 (369). The quarter included costs related to the sales of goods as above as well as the write-down of inventory of finished products of TSEK 547 (0).

Employee benefit expenses amounted to TSEK -11,875 (-14,419). The year-on-year decrease in employee benefit expenses was due to the cost-reduction program implemented in autumn 2020. The number of employees at the end of the quarter was 22 (29). Settlement with MGC Capital during the quarter also included a settlement with former employees, which was reflected in personnel costs with TSEK 621.

Depreciation, amortization and impairment amounted to TSEK -7,274 (-17,068). In conjunction with last year's restructuring, production equipment and previously capitalized leasehold improvements were written down by TSEK 5,700. The corresponding quarter last year was also charged with depreciation and write-downs in subsidiaries of TSEK 5,448, these companies were wound up during the year.

Net financial items for the quarter
Net financial items for the quarter of TSEK -781 (-5,932) consisted of financial income amounting to TSEK 7 (549) and financial expenses of TSEK 788 (6,481).

The financial income comprised capital gains on short-term investments of TSEK 7 (0) and interest income from current financial receivables of TSEK 0 (549).

Financial expenses consisted of interest expenses attributable to other borrowings of TSEK 637 (1,727), exchange losses on cash and cash equivalents of TSEK 19 (4,455) and interest expenses from leases of TSEK 132 (299). Last year, the exchange losses and gains on cash and cash equivalents primarily resulted from the Parent Company's USD holdings.

Profit/loss before tax for the quarter
Profit/loss before tax amounted to TSEK -2,849 (-65,373). The year-on-year improvement was attributable to the better operating profit, see above.

Income tax
Reported income tax for the quarter was TSEK 0 (0).

Profit/loss for the quarter
The net loss after tax was TSEK -2,849 (-65,373).

Cash flow and capital expenditure
Net cash flow for the quarter was TSEK 1,704 (-11,022) and consisted of Cash flow from operating activities of TSEK -44,629 (-39,062), Cash flow from investing activities of TSEK 47,760 (29,346) and Cash flow from financing activities of TSEK -1,427 (-1,305).

Cash flow from operating activities
The cash flow from operating activities for the quarter was TSEK -44,629 (-39,062). Cash flow was negatively impacted in the quarter by an amount of TSEK 25,128 in conjunction with the settlement encompassing all disputes with MGC Capital, former Board members of Oasmia and members of former management. After adjustment for the settlement, cash flow improved TSEK 19,561, which was attributable to the aforementioned cost-reduction program.

Cash flow from investing activities
Cash flow from investing activities for the quarter was TSEK 47,760 (29,346).

Investments in property, plant and equipment and in intangible assets
Capital expenditure during the quarter consisted of investments in property, plant and equipment of TSEK 240 (654). No investments in intangible assets were made during the quarter or the corresponding quarter last year.

Short-term investments
During the third quarter, short-term fixed-income funds amounting to TSEK 48,000 (30,000) were divested. These flows are reported in the cash flow statement as divestments of short-term investments.

Cash flow from financing activities
The cash flow from financing activities amounted to TSEK -1,426 (-1,305). Amortization of lease liabilities which mainly comprised rental payments recognized as amortization pursuant to IFRS 16 amounted to TSEK -1,427 (-1,305).

THE PERIOD

January 1, 2021 – December 31, 2021

Net sales

Net sales amounted to TSEK 26,192 (201,760) and comprised sales of goods for TSEK 25,647 (511) and licensing revenues of TSEK 545 (201,249). In March 2020, Oasmia and Elevar Therapeutics, Inc. entered a global strategic partnership to commercialize Apealea® with an upfront payment of MUSD 20. The compensation corresponding to TSEK 201,100 was recognized as licensing revenues with the licensing period beginning in April 2020.

Other operating income

Other operating income amounted to TSEK 42,481 (2,904) and comprised the earnings effect of the settlement of all disputes with MGC Capital amounting net to TSEK 33,888 (0), TSEK 4,552 (0) as a result of the liquidation of the subsidiary AdvaVet, recharged costs of TSEK 2,991 (2,162), disposal of equipment of TSEK 20 (0), other income of TSEK 834 (175) and foreign exchange gains on customer invoices of TSEK 196 (567).

Operating profit/loss for the period

The operating loss for the period amounted to TSEK -128,647 (-44,323). The year-on-year difference in operating profit/loss was largely attributable to the licensing revenues received from Elevar Therapeutics, Inc., see the above section on net sales. Moreover, the partnership agreement with Elevar Therapeutics, Inc. entails, as previously announced, the shutdown of a considerable share of the company's in-house production, which enabled a substantial staff reduction and led to the impairment of production equipment. These measures were implemented in autumn 2020 and the company is now noting the effects of this cost-reduction program.

Other operating expenses amounted to TSEK -79,438 (-164,562). A major portion of the year-on-year decrease was attributable to other external services TSEK -54,837 (-75,458), primarily lower consulting costs and legal expenses. Moreover, an expense attributable to the preparation of a partnership agreement with Elevar Therapeutics, Inc. was charged to the corresponding period last year. The decrease was also due to the corresponding period last year including subcontracting costs of TSEK -38,556 due to Oasmia increasing its inventory in the preceding year in conjunction with signing the partnership agreement with Elevar Therapeutics, Inc. In addition to the above, costs for premises and insurances have decreased significantly.

The change in inventories of products in progress and finished goods amounted to TSEK -42,258 (35,170). The year-on-year difference was also attributable to, in addition to last year's effect from the build-up of inventory, costs for the period for sales of TSEK 24,263 as well as the write-down of inventory of TSEK 17,995, a consequence of expired shelf lives (see Note 3).

Employee benefit expenses amounted to TSEK -44,883 (-69,467). The year-on-year decrease in employee benefit expenses was due to the aforementioned cost-reduction program.

Depreciation, amortization and impairment amounted to TSEK -28,877 (-40,768). During the last quarter of the 2019/2020 fiscal year (Feb–Apr 2020), the capitalization of development costs for Apealea®/Paclical was concluded and amortization of capitalized development costs for this product started. Straight-line amortization is applied to capitalized development costs over the period in which the expected benefits are expected to accrue to the company. In conjunction with last year's restructuring, production equipment and previously capitalized leasehold improvements were also written down by TSEK 5,700 as well as production equipment at a subcontractor with TSEK 6,380.

The number of employees at the end of the period was 22 (29).

Net financial items for the period
Net financial items for the period of TSEK -4,075 (-13,217) consisted of financial income amounting to TSEK 2,460 (4,606) and financial expenses of TSEK 6,534 (17,823).

The financial income comprised capital gains on short-term investments of TSEK 1,213 (6) and interest income from current financial receivables of TSEK 1,247 (4,600).

Financial expenses consisted of interest expenses attributable to other borrowings of TSEK 5,796 (9,499), exchange losses on cash and cash equivalents of TSEK 231 (7,316) and interest expenses from leases of TSEK 507 (1,008). Last year, the exchange losses and gains on cash and cash equivalents primarily resulted from the Parent Company's USD holdings.

Profit/loss before tax for the period
Profit/loss before tax amounted to TSEK -132,722 (-57,541). The difference was due primarily to the inclusion of licensing revenues from Elevar Therapeutics, Inc. of TSEK 201,100 in the year-earlier period and the effect of the cost-reduction program. Compared with the corresponding period last year, other external expenses and employee benefit expenses decreased TSEK 104,728. Financial items also had a positive impact of TSEK 9,143.

Income tax
Reported income tax for the period amounted to TSEK 0 (0).

Profit/loss for the period
The net loss after tax was TSEK -132,722 (-57,541).

Cash flow and capital expenditure
Net cash flow for the period was TSEK -32,216 (-279,598) and consisted of Cash flow from operating activities of TSEK -145,058 (-20,485), Cash flow from investing activities of TSEK 118,651 (-252,490) and Cash flow from financing activities of TSEK -5,809 (-6,623).

Cash flow from operating activities
Cash flow from operating activities for the period was TSEK -145,058 (-20,485). The difference compared with last year was due to the upfront payment of TSEK 201,100 received from Elevar Therapeutics, Inc. Excluding this item, cash flow from operating activities improved TSEK 76,527, which was mainly due to the effects of the aforementioned cost-reduction program.

Cash flow from investing activities
Cash flow from investing activities for the period was TSEK 118,651 (-252,490).

Investments in property, plant and equipment and in intangible assets
Capital expenditure during the period consisted of investments in intangible assets of TSEK 33,236 (2,140) and investments in property, plant and equipment of TSEK 1,113 (5,350). Investments in intangible assets comprised license rights acquisitions of TSEK 33,236 (0). Investments in property, plant and equipment mainly consisted of capital expenditure for IT equipment in the period.

The acquisition of license rights pertained to the global development and commercialization rights for Cantrixil – a clinical-stage ovarian cancer program. The agreement is the first step in Oasmia's strategy to reach critical mass in its oncology portfolio.

Short-term investments
During the period, TSEK 0 (380,000) was invested in sort-term fixed-income funds and short-term fixed-income funds amounting to TSEK 153,000 (135,000) were divested. These flows are reported respectively in the cash flow statement as short-term investments and divestments of short-term investments.

Cash flow from financing activities
The cash flow from financing activities amounted to TSEK -5,809 (-6,623) and comprised amortization of lease liabilities of TSEK -5,809 (-5,535). In the third quarter of the 2019/2020 fiscal year, a rights issue was completed that raised net cash proceeds in that period of TSEK 328,134 for

the company. For the January to December period of the 2020 calendar year, remaining items related to this rights issue accounted for an inflow of TSEK 1,891 and an outflow of TSEK 2,979 attributable to issue expenses in the cash flow from financing activities.

Financing and financial position

Cash and cash equivalents

The Group's cash and cash equivalents at the end of the period amounted to TSEK 7,912 (40,128).

Short-term investments

The company's liquidity surplus was invested in short-term fixed-income funds. The funds' rates are subject to low volatility and the fund units can be converted into cash within a few banking days. As of December 31, 2021, the value of the funds was TSEK 89,357 (247,277).

Other borrowings

In accordance with IFRS 16 Leases, the Group recognizes the present value of future lease payments as interest-bearing liabilities. At the end of the period, the reported lease liabilities amounted to TSEK 10,428 (10,749), of which long-term liabilities were TSEK 5,141 (6,545).

Bank overdraft facility

The Parent Company has an unutilized bank overdraft facility amounting to TSEK 5,000 (5,000).

Equity

At the end of the quarter, equity amounted to TSEK 549,713 (680,196), the equity/assets ratio was 92% (79), and the debt/equity ratio was negative (negative). The reason that the debt/equity ratio is negative is that net debt is negative, meaning that the sum of cash and cash equivalents and short-term investments is greater than borrowing.

Warrants and other instruments outstanding that can increase the number of shares in Oasmia

	No. of options	Max. No. of shares	Subscription price, interval	
Warrants which can be converted to three shares	1,280,250	3,840,750	4.06	USD
Employee stock options which can be converted to one share[1)]	896,739	896,739	7.36	SEK
Employee stock options which can be converted to one share[2)]	375,000	375,000	5.31–7.84	SEK
Employee stock options which can be converted to one share[3)]	3,600,000	3,600,000	3.11	SEK
Max. No. of shares		8,712,489		

1) Directed at the CEO

2) Directed at other senior executives

3) Directed at the CEO and other senior executives

Warrants that can be converted to three shares are warrants issued in 2015 and which expire on October 28, 2025. One warrant entitles the holder to subscribe for three shares at a subscription price of USD 4.06. The employee stock option program directed at the company's CEO entailed the issue of 896,739 options, which, subject to continued employment for three years, can be exercised during the period from February 13, 2023 to April 13, 2024 with an agreed strike price of SEK 7.36 per share.

Furthermore, the AGM on September 9, 2020 adopted an employee stock option program directed at other senior executives recruited in 2020. The program encompasses not more than 400,000 options, of which 375,000 have been issued to three senior executives. These can be converted into the same number of shares at strike prices of SEK 5.31, SEK 5.54 and SEK 7.84, respectively, over a 12-month period following a three-year vesting period subject to the senior executive's continued employment for three years.

In addition, an Extraordinary General Meeting on October 21, 2021, approved an employee stock option program directed to the company's senior executives. The program encompasses not more

than 4,500,000 options, of which 2,225,000 options have been issued to the company's CEO and 1,350,000 options have been issued to the company's CFO. These options entitle, after vesting in accordance with the terms and conditions, the participant to subscribe for an equal number of shares at an exercise price of SEK 3.11 during the period from and including November 1, 2024 until and including January 31, 2025 subject to the precondition that the holder remains in the company's employ for three years.

Effects of the Covid-19 pandemic

Market

The effects of the Covid-19 outbreak have been felt worldwide. As a result of the global pandemic, the company has experienced a clear impact on the company's marketing activities as a result of drastically reduced access to healthcare providers and oncologists.

Personnel

The company has implemented continuity protocols and most of the company's employees have continued to work as before.

The company has implemented measures to protect its employees and introduced a policy for remote working where possible.

Supply chain

The Covid-19 outbreak has negatively impacted the supply chain, for example, with increased lead times for certain consumables, though not to any significant extent.

Legal information and additional information

On October 21, 2021, Oasmia reached a settlement encompassing all disputes with MGC Capital, former Board members of Oasmia and members of former management. The financial effects of this settlement are of a non-recurring nature and have been reported in the fourth quarter of 2021. A debt in the balance sheet to MGC Capital of SEK 80 million together with a receivable of about SEK 40 million were nullified as part of the settlement.

Parent Company

The Parent Company's net sales for the period amounted to TSEK 26,192 (201,760) and profit/loss before tax was TSEK -136,755 (-58,057). On December 31, 2021, the Parent Company's cash and cash equivalents amounted to TSEK 7,898 (39,957) and short-term investments, which within a few banking days can be converted into cash, amounted to TSEK 89,357 (247,277). During the period, the two subsidiaries Qdoxx Pharma AB and Oasmia Incentive AB were merged into the Parent Company, which had a positive effect on equity of TSEK 1,400 (0).

Key metrics and other information

	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
No. of shares at end of period, before and after dilution, thousand	448,370	448,370	448,370	448,370
Weighted average No. of shares, before and after dilution, thousand	448,370	448,370	448,370	448,359
Earnings per share before and after dilution, SEK	-0.01	-0.15	-0.30	-0.13
Equity per share, SEK	1.23	1.52	1.23	1.52
Equity/assets ratio, %	92	79	92	79
Net liability, TSEK	-97,268	-207,405	-97,268	-207,405
Debt/equity ratio, %	neg.	neg.	neg.	neg.
Return on total assets, %	neg.	neg.	neg.	neg.
Return on equity, %	neg.	neg.	neg.	neg.
Number of employees at period end	22	29	22	29

Definitions

Earnings per share: Income for the period attributable to the Parent Company shareholders in relation to the weighted average number of shares, before and after dilution, in the period.
Equity per share: Equity attributable to Parent Company shareholders as a ratio of the number of shares at the end of the period.
Equity/assets ratio: Equity as a ratio of total assets.
Net liability: Total borrowings (including the balance-sheet items: liabilities to credit institutions, convertible debt instruments and other borrowings) with deduction of cash and cash equivalents and short-term investments. Leasing liabilities calculated in accordance with IFRS16 are not included in net liabilities.
Debt/equity ratio: Net liability as a ratio of equity.
Return on total assets: Income before deduction of interest expenses as a ratio of average total assets.
Return on equity: Earnings before taxes as a ratio of average equity.

The key definitions found above are generic definitions often used in analyses and comparisons between different companies. They are therefore given to enable the reader to rapidly and summarily evaluate Oasmia's financial situation and possibly compare with other companies. These have been calculated as follows:

	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
Equity per share				
Equity attributable to Parent Company shareholders at the end of the period, TSEK	549,713	680,196	549,713	680,196
No. of shares at end of period, thousand	448,370	448,370	448,370	448,370
Equity per share, SEK	**1.23**	**1.52**	**1.23**	**1.52**
Equity/assets ratio				
Equity at end of period, TSEK	549,713	680,196	549,713	680,196
Total assets at end of period, TSEK	593,308	863,542	593,308	863,542
Equity/assets ratio	**92%**	**79%**	**92%**	**79%**
Net liability, TSEK				
Other borrowings	–	80,000	–	80,000
Total borrowings	–	80,000	–	80,000
Short-term investments	89,357	247,277	89,357	247,277
Cash and cash equivalents	7,912	40,128	7,912	40,128
Total short-term investments, and cash and cash equivalents	97,268	287,405	97,268	287,405
Net liability	**-97,268**	**-207,405**	**-97,268**	**-207,405**
Debt/equity ratio				
Net liability, TSEK	-97,268	-207,405	-97,268	-207,405
Equity, TSEK	549,713	680,196	549,713	680,196
Debt/equity ratio	**-18%**	**-30%**	**-18%**	**-30%**
Return on total assets				
Income before deduction of interest expenses	-2,062	-58,892	-126,188	-39,717
Average total assets	643,805	898,808	728,925	778,422
Return on total assets	**0%**	**-7%**	**-17%**	**-5%**
Return on equity				
Profit/loss before tax	-2,849	-65,373	-132,722	-57,541
Average equity	550,891	712,715	614,955	616,133
Return on equity	**-1%**	**-9%**	**-22%**	**-9%**

Consolidated income statement

TSEK	Note	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
Net sales		9,639	131	26,192	201,760
Other operating income		35,850	1,700	42,481	2,904
Change in inventories of products in progress and finished goods		-7,288	369	-42,258	35,170
Capitalized development costs		–	0	–	2,140
Raw materials and consumables		-1,622	-487	-1,864	-11,500
Other external expenses		-19,498	-29,666	-79,438	-164,562
Employee benefit expenses		-11,875	-14,419	-44,883	-69,467
Depreciation, amortization and impairment		-7,274	-17,068	-28,877	-40,768
Operating profit/loss		**-2,068**	**-59,441**	**-128,647**	**-44,323**
Financial income		7	549	2,460	4,606
Financial expenses		-787	-6,481	-6,534	-17,823
Financial income and expenses – net		**-781**	**-5,932**	**-4,075**	**-13,217**
Profit/loss before tax		**-2,849**	**-65,373**	**-132,722**	**-57,541**
Income tax		–	–	–	–
Profit/loss for the period		**-2,849**	**-65,373**	**-132,722**	**-57,541**
Profit/loss for the period attributable to:					
Parent Company shareholders		-2,849	-65,373	-132,722	-57,541
Non-controlling interests		–	–	–	–
Earnings per share before and after dilution, SEK		-0.01	-0.15	-0.30	-0.13

Consolidated statement of comprehensive income

TSEK	Note	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
Profit/loss for the period		**-2,849**	**-65,373**	**-132,722**	**-57,541**
Other comprehensive income					
Items that may subsequently be transferred to the income statement:					
Translation differences		0	-566	0	-580
Total other comprehensive income		**0**	**-566**	**0**	**-580**
Comprehensive income for the period		**-2,849**	**-65,939**	**-132,722**	**-58,121**
Comprehensive income attributable to:					
Parent Company shareholders		-2,849	-65,939	-132,722	-58,121
Non-controlling interests		–	–	–	–

Consolidated statement of financial position

TSEK	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment		17,108	17,630
Capitalized development costs	2	400,799	420,334
Other intangible assets		39,605	9,197
Financial assets		301	302
Total non-current assets		**457,813**	**447,462**
Current assets			
Inventories	3	9,897	51,496
Accounts receivable		10,101	1,489
Other current receivables		8,680	43,063
Prepaid expenses and accrued income		10,549	32,628
Short-term investments		89,357	247,277
Cash and cash equivalents		7,912	40,128
Total current assets		**136,495**	**416,079**
TOTAL ASSETS		**594,308**	**863,542**
EQUITY			
Equity and reserves attributable to Parent Company shareholders			
Share capital		44,837	44,837
Other capital provided		1,906,568	1,904,760
Reserves		–	-743
Retained earnings, including income for the period		-1,401,692	-1,268,657
Equity attributable to Parent Company shareholders		**549,713**	**680,196**
Equity attributable to non-controlling interests		0	0
Total equity		**549,713**	**680,196**
LIABILITIES			
Long-term liabilities			
Lease liabilities, long-term		5,141	6,545
Total long-term liabilities		**5,141**	**6,545**
Current liabilities			
Other borrowings		0	80,000
Accounts payable		13,590	10,678
Lease liabilities, short-term		5,287	4,204
Other current liabilities		3,307	4,660
Accrued expenses and deferred income		17,270	77,259
Total current liabilities		**39,454**	**176,800**
Total liabilities		**44,595**	**183,345**
TOTAL EQUITY AND LIABILITIES		**594,308**	**863,542**

Consolidated statement of changes in equity

	Attributable to Parent Company shareholders						
TSEK	Share capital	Other capital provided	Reserves	Retained earnings, including profit/loss for the period	Total equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Opening balance, January 1, 2020	**44,837**	**1,905,010**	**-240**	**-1,211,116**	**738,491**	**0**	**738,491**
Profit/loss for the period	–	–	–	-57,541	-57,541	–	-57,541
Other comprehensive income	–	–	-503	–	-503	–	-503
Comprehensive income for the period	**0**	**0**	**-503**	**-57,541**	**-58,044**	**0**	**-58,044**
Employee stock options		729			729	–	729
Issue expenses		-979			-979	–	-979
Closing balance, December 31, 2020	**44,837**	**1,904,760**	**-743**	**-1,268,657**	**680,197**	**0**	**680,197**
Opening balance, January 1, 2021	**44,837**	**1,904,760**	**-743**	**-1,268,657**	**680,197**	**0**	**680,197**
Profit/loss for the period	–	–	–	-132,722	-132,722	–	-132,722
Other comprehensive income	–	740	743	-313	1,170	–	1,170
Comprehensive income for the period	**0**	**740**	**743**	**-133,035**	**-131,866**	**0**	**-131,552**
Employee stock options	–	1,068	–	–	1,068	–	1,068
Closing balance, December 31, 2021	**44,837**	**1,906,568**	**0**	**-1,401,692**	**549,712**	**0**	**549,713**

Consolidated statement of cash flows

TSEK	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
Operating activities				
Operating profit/loss	-2,068	-59,440	-128,647	-44,323
Adjustments for non-cash items	11,820	17,199	28,877	47,323
Interest received	0	0	0	6
Interest paid	-7	-303	-45	-913
Cash flow from operating activities before changes in working capital	**9,745**	**-42,544**	**-99,815**	**2,093**
Changes in working capital				
Change in inventories	6,299	-2,701	41,599	-41,066
Change in accounts receivable	-5,064	12,857	-8,612	-1,541
Change in other current receivables	39,183	-380	57,462	-11,504
Change in accounts payable	7,404	-4,484	2,874	-10,417
Change in other current liabilities	-102,196	-1,810	-138,566	41,951
Cash flow from operating activities	**-44,629**	**-39,062**	**-145,058**	**-20,485**
Investing activities				
Investments in intangible assets	–	–	-33,236	-2,140
Investments in property, plant and equipment	-240	-654	-1,113	-5,350
Short-term investments	–	–	–	-380,000
Divestment of short-term investments	48,000	30,000	153,000	135,000
Cash flow from investing activities	**47,760**	**29,346**	**118,651**	**-252,490**
Financing activities				
Amortization of lease liability	-1,426	-1,305	-5,808	-5,535
New share issues	–	–	–	1,891
Issue expenses	–	0	–	-2,979
Cash flow from financing activities	**-1,426**	**-1,305**	**-5,808**	**-6,623**
Cash flow for the period	**1,704**	**-11,022**	**-32,425**	**-279,598**
Effects of exchange rate changes on cash and cash equivalents	**-977**	**-2,752**	**0**	**-5,932**
Cash and cash equivalents at the beginning of the period	**7,185**	**53,902**	**40,128**	**325,658**
Cash and cash equivalents at the end of the period	**7,912**	**40,128**	**7,912**	**40,128**

Parent Company income statement

TSEK	Note	2021 Oct–Dec	2020 Oct–Dec	2021 Jan–Dec	2020 Jan–Dec
Net sales		9,639	132	26,192	201,760
Change in inventories of products in progress and finished goods		-7,288	369	-42,258	35,170
Capitalized development costs		–	0	–	2,140
Other operating income		35,850	1,700	37,930	2,904
Raw materials and consumables		-1,622	-487	-1,864	-11,501
Other external expenses		-20,483	-34,965	-83,770	-174,990
Employee benefit expenses		-11,818	-14,419	-44,826	-69,445
Depreciation, amortization and impairment of PPE and intangible assets		-6,319	-11,620	-24,800	-31,148
Operating profit/loss		**-2,041**	**-59,291**	**-133,396**	**-45,109**
Profit/loss from participations in Group companies		0	-678	0	-1,773
Other interest income and similar income		7	966	2,460	5,716
Interest expenses and similar expenses		-655	-6,182	-6,027	-16,892
Financial income and expenses – net		**-648**	**-5,894**	**-3,567**	**-12,948**
Profit/loss before tax		**-2,689**	**-65,185**	**-136,963**	**-58,057**
Income tax on profit/loss for the period		–	–	–	–
Profit/loss for the period		**-2,689**	**-65,185**	**-136,963**	**-58,057**

Parent Company balance sheet

TSEK	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Non-current assets			
Intangible non-current assets			
Capitalized development costs	2	400,799	420,334
Concessions, patents, licenses, trademarks and similar rights		39,605	9,197
Property, plant and equipment			
Equipment, tools and fixtures and fittings		7,890	9,310
Construction in progress and advance payments for property, plant and equipment		648	655
Financial assets			
Participations in Group companies		0	60
Other securities held as non-current assets		301	301
Total non-current assets		**449,243**	**439,857**
Current assets			
Inventories, etc.	3		
Raw materials and consumables		7,848	7,414
Products in progress		2,049	10,810
Finished goods		0	33,271
		9,897	51,496
Current receivables			
Accounts receivable		10,101	1,489
Other current receivables		8,680	43,061
Prepaid expenses and accrued income		10,920	33,970
		28,701	78,520
Short-term investments		89,357	247,277
Cash and bank balances		7,898	39,957
Total current assets		**136,853**	**417,249**
TOTAL ASSETS		**586,096**	**857,106**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		44,837	44,837
Statutory reserve		4,620	4,620
Reserve for development costs		25,394	27,096
		74,851	76,553
Non-restricted equity			
Share premium reserve		1,906,141	1,905,073
Retained earnings		-1,293,735	-1,238,780
Profit/loss for the period		-136,964	-58,057
		475,442	608,236
Total equity[1]		**550,293**	**684,789**
Current liabilities			
Other borrowings		0	80,000
Accounts payable		13,590	9,093
Liabilities to Group companies		0	2,784
Other current liabilities		3,307	3,177
Accrued expenses and deferred income		18,906	77,263
Total current liabilities		**35,803**	**172,317**
TOTAL EQUITY AND LIABILITIES		**586,096**	**857,106**

Parent Company statement of changes in equity

	Restricted equity			Non-restricted equity		
TSEK	Share capital	Statutory reserve	Reserve for development costs	Share premium reserve	Retained earnings, including profit/loss for the year	Total equity
Opening balance, January 1, 2020	**44,837**	**4,620**	**26,281**	**1,905,323**	**-1,237,965**	**743,096**
Profit/loss for the year	–	–	–	–	-58,057	-58,057
Provision to Reserve for development costs	–	–	2,140	–	-2,140	0
Reversal of Reserve for development costs	–	–	-1,325	–	1,325	0
Employee stock options	–	–	–	729	–	729
Issue expenses	–	–	–	-979	–	-979
Closing balance, December 31, 2020	**44,837**	**4,620**	**27,096**	**1,905,073**	**-1,296,837**	**684,788**
Opening balance, January 1, 2021	**44,837**	**4,620**	**27,096**	**1,905,073**	**-1,296,837**	**684,788**
Profit/loss for the period	–	–	–	–	-136,963	-136,963
Provision to Reserve for development costs	–	–	–	–	–	0
Reversal of Reserve for development costs	–	–	-1,702	–	1,702	0
Result from merger					1,400	1,400
Employee stock options	–	–	–	1,068	–	1,068
Closing balance, December 31, 2021	**44,837**	**4,620**	**25,394**	**1,906,141**	**-1,430,699**	**550,293**

Note 1 Accounting policies, etc.

This interim report in summary for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Annual Accounts Act.

The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report.

The Group's accounting policies and calculation methods are consistent with those used in the Annual Report for the fiscal year from May 1, 2020 to December 31, 2020.

The Parent Company's accounts are presented in accordance with the Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities.

No new or amended IFRS standards or IFRIC interpretations have entered force since January 1, 2021 that have had any impact on Oasmia's financial statements.

The carrying amounts for loan receivables, other receivables, cash and cash equivalents, accounts payable and other liabilities comprise reasonable approximations of fair value.

The Group currently has only one operating segment and does not therefore report any information by segment.

As the Annual General Meeting on September 9, 2020 resolved to change the company's fiscal year to the calendar year, the comparative figures in this Interim Report cover the corresponding periods last year, i.e. for the quarter July 1 to September 30, 2020 and the periods January 1 to September 30, 2020 and January 1 to December 31, 2020, respectively.

Note 2 Capitalized development costs

Oasmia has capitalized development costs consisting of the company's work on clinical trials in Phase III for the product candidates Paclical/Apealea® and Paccal Vet. The accumulated assets by product candidate are shown below.

TSEK	Dec 31, 2021	Dec 31, 2020
Paclical	291,392	310,926
Paccal Vet	109,408	109,408
Total	400,800	420,334

Amortization in the period amounted to TSEK 14,651 (10,431).

Note 3 Inventories

TSEK	Dec 31, 2021	Dec 31, 2020
Valued at the lower of acquisition cost and fair value		
Raw materials and consumables	7,848	7,414
Products in progress	2,049	10,811
Finished goods	–	33,271
Total	9,897	51,496

Goods have been expensed and written down as follows:

	2021	2020
TSEK	Jan–Dec	Jan–Dec
Expensed goods	24,263	134
Written down goods	17,995	5,404

The written down goods are a consequence of expired shelf lives. During the quarter, goods worth TSEK 547 were written down

Note 4 Transactions with related parties

During the period, expenses in the form of consultancy fees to members of the Board or management were recognized in an amount of TSEK 3,698. Otherwise, no material transactions with related parties were conducted during the quarter other than the remuneration disbursed to Board members and employees.

Note 5 Contingent liabilities, pledged assets and contingent assets

The Parent Company has taken out a chattel mortgage of TSEK 8,000 with a bank as collateral for an overdraft facility of TSEK 5,000 (and as the limit for a foreign currency derivative of TSEK 3,000.

Balance with MGC Capital LTD. (MGC)

During the quarter, Oasmia settled all disputes with MGC. The financial effects of this settlement are of a non-recurring nature.

Note 6 Risk factors

The Group is exposed to various types of risk through its operations. Through creating awareness of the risks inherent to operations, these risks can be limited, controlled and managed at the same time as business opportunities can be leveraged to increase earnings. The risks pertaining to Oasmia's operations are detailed in the Annual Report for the fiscal year from May 1, 2020 to December 31, 2020.

The report is in all material respects still relevant. In addition, in March 2021, the Company acquired global rights for the development and commercialization of Cantrixil - a clinical program in ovarian cancer. The development of the project and the commercialization is due to a number of circumstances, many of which are beyond the Company's control and there is a risk that the development and commercialization will fail and / or be delayed, which could have a significant negative impact on the Company. Another circumstance that has changed the risk picture for the Company is the all-inclusive settlement of all disputes with MGC Capital, Oasmia's former Board and its previous management, which the Company entered into in October 2021. As a result of the settlement, all risks related to the disputes have been eliminated.

The Board of Directors and the CEO of Oasmia Pharmaceutical AB certify that this Year-end report gives a fair view of the Parent Company's and the Group's activities, position and results, and describes essential risks and uncertainty factors that the Parent Company and the companies that are part of the Group face.

Uppsala, February 24, 2022

Anders Härfstrand, Chairman of the Board	Hege Hellström, Member of the Board
Birgit Stattin Norinder, Member of the Board	Peter Zonabend, Member of the Board
Andrea Buscaglia, Member of the Board	François Martelet, CEO

This report contains forward-looking statements including valuations of intangible assets which are based on assessments of future events. When words such as "foresees," "believes," "estimates," "expects," "intends," "plans" and "projects" occur in this report, they represent forward-looking statements. These statements may include risks and uncertainties concerning, for example, product demand, market acceptance, effects of economic conditions, the impact from competing products and pricing, currency effects and other risks. These forward-looking statements reflect Oasmia management's view of future events at the time these statements are made but are made subject to different risks and uncertainties. All these forward-looking statements are based on Oasmia management's estimates and assumptions and are assessed to be reasonable but are by their very nature uncertain and difficult to foresee. Actual outcomes and experiences may deviate considerably from the forward-looking statements. Oasmia does not intend, and does not undertake, to update these forward-looking statements.

This information is information that Oasmia Pharmaceutical AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 08:00 CET on February 24, 2022.

This report has been prepared in both Swedish and English. In the event of any discrepancy in the content of the two versions, the Swedish version shall take precedence.

This report has not been reviewed by the company's auditors.

OTHER INFORMATION

Extraordinary General Meeting 2022

An Extraordinary General Meeting held on 21 February 2022 approved the Board of Directors' resolution on a new issue of shares with preferential rights for existing shareholders of approximately SEK 151 million before the deduction of issue costs. The purpose of the rights sssue is to finance the continued development of the company and its projects in accordance with its business plan and strategy.

- Shareholders in Oasmia have preferential right to subscribe for one (1) new share per every five (5) existing shares, i.e. a subscription ratio of 1:5.
- The subscription price has been set to SEK 1.68 per share.
- The subscription period runs from 8 March 2022 through 22 March 2022.
- The record date for the Rights Issue is 4 March 2022. The last day of trading in Oasmia's shares including right to receive subscription rights in the Rights Issue is 2 March 2022 and the first day of trading in Oasmia's shares without receiving subscription rights in the Rights Issue is 3 March 2022.
- Trading in subscription rights will take place on Nasdaq Stockholm during the period from 8 March 2022 through 17 March 2022.

Complete terms and conditions for the Rights Issue and other information about the Company as well as information about subscription commitments and guarantee undertakings will be available in the prospectus that the Company is expected to publish on 3 March 2022.

Annual General Meeting 2022
The Annual General Meeting will be held on May 25, 2022. Shareholders who wish to have a matter brought before the Annual General Meeting must submit a written request to the Board of Directors. The request must be received by the Board of Directors no later than April 6, 2022. Shareholders may submit their requests by e-mail to styrelse@oasmia.com or by ordinary mail to the following address:

Oasmia Pharmaceutical AB
Att: The Board of Directors
Vallongatan 1
SE 752 28 Uppsala
Sweden

Nomination Committee
The Nomination Committee for the AGM 2022 consists of representatives appointed by the two largest shareholders in terms of voting rights as well as the Chairman of the Board. These are: Per Arwidsson (Chairman of the Nomination Committee), appointed by Arwidsro Investment AB, Håkan Lagerberg, appointed by Mastan AB, and Anders Härfstrand, Chairman of the Board of Oasmia.

COMPANY INFORMATION

Oasmia Pharmaceutical AB (publ)
Corp. reg. no. 556332-6676
Domicile: Stockholm

Contact
Oasmia Pharmaceutical AB
Vallongatan 1
752 28 Uppsala, Sweden

Head Office:
Oasmia Pharmaceutical AB
Gustav III:s Boulevard 46, 5th floor
169 73 Solna, Sweden

Phone: +46 18-50 54 40
Website: www.oasmia.com
E-mail: info@oasmia.com

For more information
Francois Martelet, Chief Executive Officer
Phone: +46 18-50 54 40
E-mail: IR@oasmia.com

Fredrik Järrsten, Chief Financial Officer
Phone: +46 18-50 54 40
E-mail: IR@oasmia.com

Financial calendar

Annual Report publication	Week 17, 2022
Interim report Q1 (Jan-Mar 2022)	May 25, 2022
Annual General Meeting 2022	May 25, 2022
Interim report Q2 (Jan-Jun 2022)	August 25, 2022
Interim report Q3 (Jan-Sep 2022)	November 17, 2022
Year-end report (Jan-Dec 2022)	February 23, 2023